

(TRANSLATION)

10 March 2021

Subject : Notice of the Annual General Meeting No. 28

To : Shareholders of Thai Reinsurance Public Company Limited

- Attachments:
1. Copy of Minutes of Annual General Meeting of Shareholders No. 27
  2. Annual Report for the year 2020 (QR Code Format)
  3. Financial Highlights for the year 2020
  4. Profiles of nominated directors
  5. Profiles of nominated auditors
  6. Company's Articles of Association relating to the AGM
  7. Documents or evidences required prior to attend the meeting
  8. Map of meeting venue
  9. Proxy form
  10. Profile of independent director who serves as proxy for shareholders
  11. Advance questions relating to agenda items of AGM
  12. Request form for the hard copy of Annual Report
  13. Privacy notice

The 28<sup>th</sup> Annual General Meeting of Shareholders of Thai Reinsurance Public Company Limited shall be held on Friday, 23 April 2021, at 10.00 hours (Registration begins at 08.30 hrs.), at Victor Club, 8<sup>nd</sup> Floor, Sathorn Square Bldg, North Sathorn Road, Silom, Bangrak, Bangkok 10500 to consider the following agendas:-

**Agenda 1: To acknowledge the Board of Directors' report on Company's business in 2020**

**Rationale:** The report on Company's operating result in the fiscal year 2020 is shown in the attached annual report in QR Code Format.

**Opinion of the Board:** The Board agreed and recommended the meeting to acknowledge the directors' report stating the Company's performance and major changes during the fiscal year 2020.

**Voting:** Since this agenda item is for acknowledgement, no vote is required.

**Thai Reinsurance Public Company Limited**

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Registration Number : 0107536001729

## **Agenda 2: To approve the financial statements for the year ended 31 December 2020**

**Rationale:** In compliance with the Public Limited Company Act, the Company shall prepare the financial statements at the end of the fiscal year which were audited and certified by auditor of the Company to be ready for shareholders' approval.

**Opinion of the Board:** The Board agreed and recommended adopting the financial statements for the year ended 31 December 2020 which have been audited by the auditors, EY Office Limited, granted the consent by Audit Committee and endorsed by the Board. Details are shown in the attached Annual Report in QR Code Format.

**Voting:** Resolution in this agenda item shall be adopted by the majority votes of the shareholders and proxies attending the meeting and casting their votes.

## **Agenda 3: To approve the profit and dividend allocation for the performance of 2020**

**Rationale:** The Company has adopted a dividend payment policy which dividend will be paid out from net profit at the rate of not less than 40% of the separate financial statement after deducting all necessary reserves. For the year 2020 the Company posted the net profit as shown in separate financial statements Baht 194,701,344 or Baht 0.05 / share which was allocated for statutory reserve Baht 9,859,081 according to Section 116 of Public Limited Company Act stating that the Company shall allocate not less than 5 percent of the net profit for statutory reserve.

**Opinion of the Board:** The Board agreed to propose to Annual General Meeting of Shareholders to approve the profit allocation and dividend payment for the year 2020 at Baht 0.04 per share, totaling Baht 168,599,753 or equivalent to 80% payout ratio of separate financial statements. Tax credit of the dividend payment Baht 0.04 per share are as follows :

- 20% tax credit Baht 0.03 per share
- Non tax credit Baht 0.01 per share

Details of Corporate Performance for the year 2020 are illustrated below:

Unappropriated retained earnings as at 1 January 2020	(530,616,361)	Baht
Net profit for the year 2020	194,701,344	Baht
Other comprehensive loss for the period	(2,789,067)	Baht
Decrease in share capital to offset deficit	505,799,260	Baht
Transfer reserve to offset the deficit	38,559,081	Baht
Statutory reserve	(9,859,081)	Baht
Reversal of expired dividend payable	154,289	Baht
Transfer to retained earnings due to disposals	47,594,534	Baht
Retained earnings before allocation	243,543,999	Baht
<b><u>Proposed profit allocation:</u></b>		
Dividend Baht 0.04 per share	(168,599,753)	Baht
Remaining unappropriated retained earnings	74,944,246	Baht

30 April 2021

Record date for the right to receive dividend

18 May 2021

Dividend payable date

When comparing with 2019, the Company had the net profit of Baht 94,718,834 and still recorded the deficit Baht 544,358,340.58 which unable to allocate the profit and pay the dividend.

**Voting:** Resolution in this agenda item shall be adopted by the majority votes of the shareholders and proxies attending the meeting and casting their votes.

**Agenda 4: To approve the decrease of board member from 11 to 10**

**Rationale:** Presently the Company's Board of Directors consists of 11 members. Mr. Chai Sophonpanich and Mr. Chanin Roonsamrarn shall retire by rotation this year and officially expressed their intention not to be re-elected. When considering the current composition of the Board and size of Company's business, the committee proposed to the Board for consideration the reducing of board members from 11 to 10. The board member decrease will not affect any board performance since the Company's directors consist of variety, experienced and talented persons which can support their duties. In the future if the Company's business or size change, the committee will consider and nominate additional board member to suit with the change accordingly.

**Opinion of the Board:** The Board agreed with the recommendation of Nomination & Remuneration Committee to decrease board member from 11 to 10.

**Voting:** Resolution in this agenda item shall be adopted by the majority votes of the shareholders and proxies attending the meeting and casting their votes.

**Agenda 5: To elect directors to succeed those retiring by rotation**

**Rationale:** Pursuant to the Company's Articles of Association, the member of the Board should be between 9 and 15 directors and one-third of them should be retired on every Annual General Meeting. 4 out of totaling 11 directors to be retired by rotation this year are:

- |                             |   |
|-----------------------------|---|
| 1. Mr. Chai Sophonpanich    | Chairman, Director of Investment Committee<br>Director of Nomination and Remuneration Committee   |
| 2. Mr. Chanin Roonsamrarn   | Independent Director, Chairman of Audit Committee   |
| 3. Mr. Gobinath Athappan    | Director  |
| 4. Mr. Oran Vongsuraphichet | Director, Director of Investment Committee<br>Director of Nomination & Remuneration Committee<br>Chairman of Risk Management Committee<br>Chief Executive Officer |

In this regard, the Nomination and Remuneration Committee has set a selection process as follows:

- Directors to be retired by rotation are allowed to express their willingness to be re-elected or to continue their offices for another term or not.
- The Board and shareholders can propose and recommend any qualified person for the replacement.

- The Nomination and Remuneration Committee shall consider those nominated or proposed person(s) and then present to the Board and shareholders for approval.

Two retired directors, namely Mr.Gobinath Athappan and Mr.Oran Vongsuraphichet expressed their willingness to hold the director position for another term if they are re-elected while Mr.Chai Sophonpanich and Mr.Chanin Roonsamrarn expressed their intent not to be re-elected. The Company announced via its website to invite the shareholders to nominate the qualified candidates as the Company's director but there was no nominated candidate proposed.

If the meeting resolve to approve the decrease of board member in previous agenda, there will be only 3 directors for election. The Nomination and Remuneration Committee, without the participation of directors who have interest therein, had considered the composition of the Board and all required qualifications of each person who may become the Company's director pursuant to the applicable laws, the Company's Articles of Association and the nomination principles, and was of the view that 2 directors should be proposed to the Board for consideration and to the shareholders for re-election to continue their offices, namely Mr.Gobinath Athappan and Mr.Oran Vongsuraphichet. The Nomination and Remuneration Committee recommended Dr.Apsit Anantanarat to be elected as Company's director to replace Mr.Chai Sophonpanich.

**Opinion of the Board:** The Board, without participation of the directors having interest therein, carefully considered and concurred with the Nomination and Remuneration Committee's recommendation to propose 2 retired directors be re-elected for another term, namely Mr. Gobinath Athappan and Mr.Oran Vongsuraphichet. In addition the Board agreed to propose to shareholder to elect 1 new directors, namely Dr.Apsit Anantanarat to replace Mr.Chai Sophonpanich. Dr. Apsit Anantanarat has well experience in management, insurance and information technology which will benefit the Company' business. The profiles of 3 nominated directors are enclosed for your consideration.

**Voting:** Resolution in this agenda item shall be adopted by the majority votes of the shareholders and proxies attending the meeting and casting their votes.

**Agenda 6: To approve the directors' remuneration**

**Rationale:** Since the Board has played an important role for setting and implementing the Company's policy and directing its operation. Remuneration of the Board and members of the sub-committees should be at appropriate level and align with their duties and responsibilities and comparable to industry practices.

**Opinion of the Board:** The Board concurred with the recommendation proposed by the Nomination and Remuneration Committee that the directors' remuneration for the year 2021 would be proposed for consideration and approval as follows:

	<u>2021</u>	<u>2020</u>
<u>1. Board of Directors</u>		
Monthly Retainer Fee	<u>Same as 2020</u>  Chairman – Baht 30,000 per month, other directors – Baht 25,000 per month per person.	Chairman – Baht 30,000 per month, other directors – Baht 25,000 per month per person.
Attendance fee	<u>Same as 2020</u>  Chairman – Baht 35,000 per session, other directors - Baht 25,000 per person per session. Payable only to those attending a meeting.	Chairman – Baht 35,000 per session, other directors - Baht 25,000 per person per session. Payable only to those attending a meeting.
Bonus	Not exceeding Baht 3.37 million by allocate to Chairman 2 parts, Vice Chairman 1.5 parts, director 1 part each. Retired and new director shall be allocated in prorated basis on their term of office.	- None -
Other benefits	-Nil-	-Nil-
<u>2. Audit Committee</u>		
Attendance fee	<u>Same as 2020</u>  Chairman – Baht 50,000 per session, other members – Baht 35,000 per person per session. Payable only to those attending a meeting.	Chairman – Baht 50,000 per session, other members – Baht 35,000 per person per session. Payable only to those attending a meeting.
<u>3. Nomination and Remuneration Committee</u>		
Attendance fee	<u>Same as 2020</u>  Baht 25,000 per person per session. Payable only to those attending a meeting	Baht 25,000 per person per session. Payable only to those attending a meeting

#### 4. Investment Committee

Attendance fee	<u>Same as 2020</u>	
	Baht 25,000 per person per session. Payable only to those attending a meeting	Baht 25,000 per person per session. Payable only to those attending a meeting

#### 5. Enterprise Risk Management Committee

None - Due to Committee members are Company's management.

**Voting:** Resolution in this agenda item shall be approved by not less than two-thirds of the total number of votes of the shareholders and proxies attending the meeting and having the rights to vote.

#### **Agenda 7: To appoint the auditors and fix the audit fee**

**Rationale:** The Audit Committee had selected the Company's auditors for the fiscal year 2021 and had recommend the Board to propose to the shareholders to re-appoint EY Office Limited (EY) by Ms.Ratchada Yongsawadvanich, CPA Registration no. 4951 and/or Ms.Somjai Kunapasut, CPA Registration no. 4499 and/or Ms.Narisara Chaisuwan, CPA Registration no. 4812 and/or Ms.Wanwilai Phechsang, CPA Registration no. 5315 as the Company and its subsidiaries' auditors for the fiscal year 2021.

In this regard, the Audit Committee viewed that EY has extensive experience in auditing a number of insurance companies with high standard, independence and duly performe duties with responsibilities. The above 4 proposed auditors as well as EY have no relationship or any connected transaction which may lead to conflict of interest with the Company.

The Audit Committee also recommended that the total audit fee for the Company be fixed at Baht 2,900,000, unchanged from previous year. Details are:

	<u>2021</u>	<u>2020</u>	<u>% Inc.</u>
Annual audit fee	1,560,000 Baht	1,560,000 Baht	-
Quarterly review audit fee	720,000 Baht	720,000 Baht	-
Fee on review and audit the Capital Adequacy Report	620,000 Baht	620,000 Baht	-
Total	2,900,000 Baht	2,900,000 Baht	-

In addition, the Audit Committee proposed the Meeting to acknowledge the audit fee for the subsidiary companies for the year 2021 as follows:

	<u>2021</u>	<u>% Inc.</u>
Number of subsidiaries	4 companies	
Total	<u>2,150,000</u> Baht	-
Totaling audit fees for the Group	<u>5,050,000</u> Baht	-

Note: The guidelines of the Securities and Exchange Commission (SEC) stipulate that the auditor of listed company who has performed his/her duty in reviewing, auditing and giving opinion on the financial statements of the company for 7 years shall be rotated. In such case, the former auditor may be re-appointed after terminating the office of such auditor not less than 5 consecutive fiscal years. Ms.Ratchada Yongsawadvanich, the auditor, has audited and given opinion on the Company and its subsidiaries' financial statements for 4 years.

Remark: The auditors of the Company and subsidiaries are the same persons.

**Opinion of the Board:** As proposed by the Audit Committee, the Board recommended re-appointing EY by Ms.Ratchada Yongsawadvanich and/or Ms.Somjai Kunapasut and/or Ms.Narisara Chaisuwan, and/or Ms.Wanwilai Phechsang as Company's auditors for the year 2021 and fix their remuneration of Baht 2,900,000, unchanged from previous year. In the event these auditors are unable to perform their duties, EY is authorized to assign another of its auditors to perform the audit and express the opinion on the Company's financial statements in their place.

**Voting:** Resolution in this agenda item shall be adopted by the majority votes of the shareholders and proxies attending the meeting and casting their votes.

**Agenda 8 : To approve the amendment of Company's Articles of Association No.10**

**Rational:** The Company has been granted by the Office of Insurance Commission (OIC) to have foreign shareholding limit more than 49 percent of the total voting and issued shares for 10 years from 15 August 2013 which resulting in the Company's status as foreign entity. And as a foreign entity, the Companies' subsidiaries business expansion lack of inflexibility & high expenditure. In addition the grace period is approaching as aforementioned explanation and to comply with the law, the Company would propose to the meeting to approve the amendment of No. 10 of the Articles of Association by replacing with the following wordings:

**Original :**

"Clause 10 Shares of the Company can be freely transferred."

**Amending to**

"Clause 10 Any share of the Company can be transferred without restriction, except:

- (1) a transfer of shares deprives the Company of the rights and benefits which the Company may obtain under the law governing conditions and details in respect of the restriction of transfer of shares; or
- (2) a transfer of shares results in the Company's foreign shareholding proportion exceeding 49 percent."

In addition, the person(s) who are authorized by the Board of Directors for registration the amendment of Articles of Association with the Department of Business Development, the Ministry of Commerce, empower to amend or add words in the manner as directed by the Registrar.

**Opinion of the Board:** The Board agreed and recommended the meeting to approve the amendment of the Company's Articles of Association No.10.

**Voting:** The resolution for this agenda requires the votes of not less than three-fourths of the total number of votes of shareholders and proxies attending the meeting and having the right to vote.

**Agenda 9 : To consider other issues (if any)**

The record date for rights to attend and vote at the Annual General Meeting of Shareholders will be on 10 March 2021.

The Company's measures and guidelines for holding the Annual General Meeting of Shareholders under the circumstance of COVID-19 as follows:

1. The Company kindly requests shareholders' cooperation in giving their proxies to the Company's independent director to attend the meeting on their behalf and sending back the filled-in proxy form before the meeting. Shareholders may load the proxy Form A., Form B and Form C. at [www.thaire.co.th](http://www.thaire.co.th) (Form C. for custodian only).
2. The Company shall arrange the seating with appropriate social distancing and this will limit the seats in the meeting room at 60 seats only. Any shareholders wish to attend the meeting, please do register in advance at email: [corpsecretary@thaire.co.th](mailto:corpsecretary@thaire.co.th) and the Company shall allocate on first come first serve basis. If all seats are occupied, the Company highly appreciates the shareholders to appoint an independent director to be their proxies.
3. Live broadcast via VDO Conference shall be arranged and please send your request to email : [corpsecretary@thaire.co.th](mailto:corpsecretary@thaire.co.th) and the meeting link shall be sent in due course.
4. Shareholders are welcome to submit questions prior to the meeting by using the attachment no.11. The questions shall be answered either in the meeting room or via Company's website.
5. If the shareholders wish to attend the meeting in person, they are required to strictly comply with relevant laws and measures stipulated by the government entities. The Company requests your cooperation to strictly comply with the following measures.
  - 5.1 The Company will conduct health and temperature screening at the entrance.
  - 5.2 The Company reserves the right to deny any attendee's entry into the meeting for those whose body temperature 37.5 celsius, those with respiratory symptoms, coughing or sneezing. However the shareholders can appoint the Company's independent director to be their proxies.
  - 5.3 All meeting attendees must wear facemask all the times.

In case there is any change or additional related meeting measures from government entities, the Company shall inform the shareholders via its website at [www.thaire.co.th](http://www.thaire.co.th).



Kindly be informed accordingly and the shareholder may grant his/her proxy to the Company's independent directors as follows:

- |                                |  |
|--------------------------------|--|
| 1. Ms. Potjanee Thanavarani    | Independent Director, Chairman of Audit Committee  |
| 2. Mrs.Chaveewan Aksornsawaddi | Independent Director / Director of Audit Committee |
| 3. Ms. Ada Ingawanij           | Independent Director / Director of Audit Committee |

Yours sincerely,



(Mr. Oran Vongsuraphichet)

Director & Chief Executive Officer